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December 2, 2005

Ref: 2794-22443

Honorable James H. Welsh Commissioner of Conservation Post Office Box 94275 Baton Rouge, LA 70804-4275

Re:

Hearing Application 10200' Zone, Reservoir A

FRANKLIN FIELD

St. Mary Parish, Louisiana

Applicant: Hilcorp Energy Company

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of Hilcorp Energy Company for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 10200' Zone, Reservoir A, Franklin Field, St. Mary Parish, Louisiana.

- 1. To dissolve the existing drilling and production unit created as the 10200' RA SUA, by Office of Conservation Order No. 274-FF, effective December 15, 2004, and to simultaneously create a revised single drilling and production unit of approximately 93 acres for the 10200' Zone, Reservoir A, Franklin Field, St. Mary Parish, Louisiana, all as shown more particularly on the attached plat;
- To establish rules and regulations governing the exploration for and production of gas and condensate from the said sand unit;
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created, with each tract sharing in unit production on a surface acreage basis of participation;
- 4. To designate a unit operator and a unit well for the unit created herein;
- 5. To find that, except to the extent contrary to the order granted by the Commissioner in connection with the hearing held on this application, the provisions of Office of Conservation Order No. 274-FF shall remain in full force and effect, and

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6. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The 10200' Zone, Reservoir A, in the Franklin Field, St. Mary Parish, Louisiana was previously defined in Office of Conservation Order No. 274-FF, effective December 15, 2004 and is hereby redefined as being that gas and condensate bearing zone encountered between the depths of 10,172 feet and 11,086 feet (electrical log measurements) in the Hilcorp Energy Company-Samuel Perry No. 1 Well, located in Section 38, Township 15 South, Range 9 East, St. Mary Parish, Louisiana.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on December 1, 2005. Attached hereto and made a part hereof is a list of the names and addresses of the parties who were in attendance at that conference.

The conference was opened by Mr. B. J. Duplantis. Mr. Art Christy presented the plan of applicant. Questions were asked and answered. Mr. Chip LeBlanc on behalf of Bailey Mineral Partnership requested a very minor change in the north part of the proposed unit to have it remain per Office of Conservation Order No. 274-FF. It was agreed to make this change. It is not anticipated that there will be opposition at the public hearing on this matter.

Attached hereto and made a part hereof is a plat outlining the 10200' RA SUA, St. Mary Parish, Louisiana, and a list of the names and addresses of the interested owners, represented parties and interested parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all interested owners, represented parties and interested parties.

A copy of the list of the names and addresses of the interested owners, represented parties and interested parties is not being mailed to those parties along with this application. Should any such party desire a copy of this list, however, we will be glad to provide one upon request.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Art Christy of W. H. Robbins & Associates, 302 La Rue France, Suite 100, Lafayette, LA 70508 (337) 232-5004.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

P T Dunlantic

BJD/ht Attachments

cc: Mr. Richard D. Hudson
District Manager, Office of Conservation

All Interested Owners, Represented Parties and Interested Parties

